

105TH CONGRESS
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To amend title 10, United States Code, to permit beneficiaries of the military health care system to enroll in Federal employees health benefits plans; to improve health care benefits under CHAMPUS and TRICARE Standard, and for other purposes.

IN THE SENATE OF THE UNITED STATES

APRIL 30, 1998

Mr. HOLLINGS introduced the following bill; which was read twice and referred to the Committee on Armed Services

A BILL

To amend title 10, United States Code, to permit beneficiaries of the military health care system to enroll in Federal employees health benefits plans; to improve health care benefits under CHAMPUS and TRICARE Standard, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Military Health Care
5 Equality Act of 1998”.

1 **SEC. 2. INCLUSION OF CERTAIN COVERED BENEFICIARIES**
 2 **IN FEDERAL EMPLOYEES HEALTH BENEFITS**
 3 **PROGRAM.**

4 (a) FEHBP OPTION.—Chapter 55 of title 10, United
 5 States Code, is amended by inserting after section 1079a
 6 the following new section:

7 **“§ 1079b. Health care coverage through Federal Em-**
 8 **ployees Health Benefits program**

9 “(a) FEHBP OPTION.—(1) Covered beneficiaries de-
 10 scribed in subsection (b) shall be afforded an opportunity
 11 to enroll in any health benefits plan under the Federal
 12 Employee Health Benefits program offering medical and
 13 dental care that is comparable to the care authorized by
 14 section 1077 of this title to be provided under section
 15 1076 of this title.

16 “(2) The Secretary of Defense and the other admin-
 17 istering Secretaries shall jointly enter into an agreement
 18 with the Director of the Office of Personnel Management
 19 to carry out paragraph (1).

20 “(b) ELIGIBLE COVERED BENEFICIARIES.—(1) A
 21 covered beneficiary referred to in subsection (a) is a mem-
 22 ber or former member of the uniformed services described
 23 in section 1074(b) of this title, and any dependent of the
 24 member described in section 1076(b) of this title, who, as
 25 determined pursuant to standards and procedures pro-

1 vided in the agreement entered into pursuant to subsection
2 (a)(2)—

3 “(A) is not guaranteed access under
4 CHAMPUS or TRICARE Standard to health and
5 dental care that is comparable to the highest level of
6 health and dental care benefits provided under the
7 service benefit plan offered under the Federal Em-
8 ployee Health Benefits program;

9 “(B) is eligible to enroll in the TRICARE pro-
10 gram but is not enrolled because of the location of
11 the beneficiary, a limitation on the total enrollment,
12 or any other reason; or

13 “(C) is entitled to hospital insurance benefits
14 under part A of title XVIII of the Social Security
15 Act (42 U.S.C. 1395c et seq.).

16 “(2) A covered beneficiary shall not be required to
17 satisfy any eligibility criteria specified in chapter 89 of
18 title 5 as a condition for enrollment in a health benefits
19 plan of the Federal Employee Health Benefits program
20 under this section.

21 “(c) CONTRIBUTIONS.—(1) Contributions shall be
22 made for an enrollment of a covered beneficiary in a plan
23 of the Federal Employee Health Benefits program under
24 this section as if the beneficiary were an employee of the
25 Federal Government.

1 “(2) The administering Secretary concerned shall be
2 responsible for the Government contributions that the Di-
3 rector of the Office of Personnel Management determines
4 would be payable by the Secretary under section 8906 of
5 title 5 for an enrolled covered beneficiary if the beneficiary
6 were an employee of the Secretary.

7 “(3) Each covered beneficiary enrolled in a health
8 benefits plan under this section shall be required to con-
9 tribute the amount that would be withheld from the pay
10 of a similarly situated Federal employee who is enrolled
11 in the same health benefits plan under chapter 89 of title
12 5.

13 “(d) MANAGEMENT OF PARTICIPATION.—The Direc-
14 tor of the Office of Personnel Management shall manage
15 the participation of a covered beneficiary in a health bene-
16 fits plan of the Federal Employee Health Benefits pro-
17 gram pursuant to an enrollment under this section. The
18 Director shall maintain separate risk pools for participat-
19 ing covered beneficiaries until such time as the Director
20 determines that a complete inclusion of participating cov-
21 ered beneficiaries under chapter 89 of title 5 will not ad-
22 versely affect Federal employees and annuitants enrolled
23 in health benefits plans under such chapter.

24 “(e) REPORTING REQUIREMENTS.—Not later than
25 November 1 of each year, the Secretary of Defense and

1 the Director of the Office of Personnel Management shall
2 jointly submit to Congress a report describing the provi-
3 sion of health and dental care services to covered bene-
4 ficiaries under this section during the preceding fiscal
5 year. The report shall address or contain the following:

6 “(1) The number of covered beneficiaries who
7 are participating in health benefits plans of the Fed-
8 eral Employee Health Benefits program pursuant to
9 an enrollment under this section, both in terms of
10 total number and as a percentage of all covered
11 beneficiaries who are receiving health care through
12 the health care system of the uniformed services.

13 “(2) The extent to which covered beneficiaries
14 use the health and dental care services available to
15 the beneficiaries under health benefits plans pursu-
16 ant to enrollments under this section.

17 “(3) The cost to covered beneficiaries for health
18 and dental care under such health benefits plans.

19 “(4) The cost to the Department of Defense,
20 the Department of Transportation, the Department
21 of Health and Human Services, and any other de-
22 partments and agencies of the Federal Government
23 of providing care to covered beneficiaries pursuant
24 to enrollments in such health benefits plans under
25 this section.

1 “(5) A comparison of the costs determined
 2 under paragraphs (3) and (4) and the costs that
 3 would otherwise have been incurred by the United
 4 States and enrollees under alternative health care
 5 options available to the administering Secretaries.

6 “(6) The effects of the exercise of authority
 7 under this section on the cost, access, and utilization
 8 rates of other health care options under the health
 9 care system of the uniformed services.”.

10 (b) CONFORMING AMENDMENTS.—(1) Section 8905
 11 of title 5, United States Code, is amended—

12 (A) by redesignating subsections (d), (e), and
 13 (f) as subsections (e), (f), and (g), respectively; and

14 (B) by inserting after subsection (c) the follow-
 15 ing new subsection (d):

16 “(d) An individual whom the Secretary of Defense de-
 17 termines is an eligible covered beneficiary under sub-
 18 section (b) of section 1079b of title 10 may enroll in a
 19 health benefits plan under this chapter in accordance with
 20 the agreement entered into under subsection (a) of such
 21 section between the Secretary and the Office and with ap-
 22 plicable regulations under this chapter.”.

23 (2) Section 8906 of title 5, United States Code, is
 24 amended—

25 (A) in subsection (b)—

1 (i) in paragraph (1), by striking “para-
 2 graphs (2) and (3)” and inserting in lieu there-
 3 of “paragraphs (2), (3), and (4)”; and

4 (ii) by adding at the end the following new
 5 paragraph:

6 “(4) In the case of individuals who enroll in a health
 7 plan under section 8905(d) of this title, the Government
 8 contribution shall be determined under section 1079b(c)
 9 of title 10.”; and

10 (B) in subsection (g)—

11 (i) in paragraph (1), by striking “para-
 12 graph (2)” and inserting in lieu thereof “para-
 13 graphs (2) and (3)”; and

14 (ii) by adding at the end the following new
 15 paragraph:

16 “(3) The Government contribution described in sub-
 17 section (b)(4) for beneficiaries who enroll under section
 18 8905(d) of this title shall be paid as provided in section
 19 1079b(c) of title 10.”.

20 **SEC. 3. IMPROVED BENEFITS UNDER CHAMPUS AND**
 21 **TRICARE STANDARD.**

22 Chapter 55 of title 10, United States Code, as
 23 amended by section 2(a), is further amended by inserting
 24 after section 1079b the following new section:

1 **“§ 1079c. CHAMPUS and TRICARE Standard benefits:**
 2 **comparability with service benefit plan**
 3 **of the Federal Employees Health Benefits**
 4 **program**

5 “(a) BENEFITS.—The health and dental care benefits
 6 provided under CHAMPUS and TRICARE Standard
 7 shall be comparable to the highest level of benefits pro-
 8 vided under the service benefit plan of the Federal Em-
 9 ployees Health Benefits program.

10 “(b) PROVIDER REIMBURSEMENT RATES.—The
 11 rates prescribed for the reimbursement of health and den-
 12 tal care providers under CHAMPUS and TRICARE
 13 Standard shall be the same as those provided for the high-
 14 est level of benefits under the service benefit plan of the
 15 Federal Employees Health Benefits program.”.

16 **SEC. 4. DEFINITIONS.**

17 Section 1072 of title 10, United States Code, is
 18 amended—

19 (1) in paragraph (4), by striking out “The term
 20 ‘Civilian Health and Medical Program of the Uni-
 21 formed Services’ means” and inserting in lieu there-
 22 of “The terms ‘Civilian Health and Medical Pro-
 23 gram of the Uniformed Services’ and ‘CHAMPUS’
 24 mean”; and

25 (2) by adding at the end the following:

1 “(8) The term ‘TRICARE Standard’ means a
 2 CHAMPUS health care benefits option that, subject
 3 to the deductibles and cost-sharing requirements
 4 under CHAMPUS, pays a share of the cost of cov-
 5 ered health care services that are provided by health
 6 care providers outside the Federal Government who
 7 are not part of the CHAMPUS network of health
 8 care providers.

9 “(9) The term ‘Federal Employee Health Bene-
 10 fits program’ means the Federal Employee Health
 11 Benefits program under chapter 89 of title 5.”.

12 **SEC. 5. IMPLEMENTATION.**

13 The Secretary of Defense shall begin to offer the
 14 health benefits option under section 1079b(a) of title 10,
 15 United States Code (as added by section 2(a)), and the
 16 improved benefits under section 1079c of such title (as
 17 added by section 3) not later than November 1, 1998.

18 **SEC. 6. CLERICAL AMENDMENT.**

19 The table of sections at the beginning of chapter 55
 20 of title 10, United States Code, is amended by inserting
 21 after the item relating to section 1079a the following:

“1079b. Health care coverage through Federal Employees Health Benefits pro-
 gram.

“1079c. CHAMPUS and TRICARE Standard benefits: comparability with serv-
 ice benefit plan of the Federal Employees Health Benefits pro-
 gram.”.

